

FISCAL NOTE

SB 1772 – HB 1839

March 16, 2007

SUMMARY OF BILL: Creates the “Voters-Choice Elections Act” and establishes the Tennessee Fair Chance Fund as an alternative source of campaign financing established to finance the election campaigns of certified local candidates for office, specifically in Davidson County and in any other county which votes to adopt the provisions of the bill; and to pay administrative and enforcement costs of the Registry of Election Finance. The fund is available to candidates for the mayoral and county legislative body elections.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures:

Registry of Election Finance

Exceeds \$100,000 One-Time

Exceeds \$400,000 Recurring

Increase Local Govt. Expenditures* - Tennessee Fair Chance Fund -

\$ 2,000,000/Davidson County/Mandatory

\$13,000,000/Permissive

Assumptions:

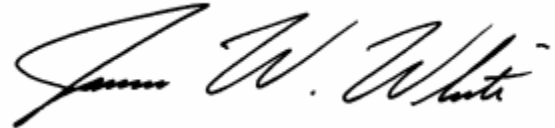
- Section 1 of the bill makes the Fund available to candidates for the mayoral and county legislative body in elections to be held in 2008 and thereafter. However, Section 6 of the bill makes the Fund available to local candidates in 2010 and thereafter. For purposes of this fiscal note, it is assumed that the Fund would be available to candidates in 2008 and thereafter.
- This act would be mandatory to Davidson County and permissive to any other county that votes to adopt the provisions of this act by a two-thirds vote of the legislative body.
- The number of local candidates in a given year could reach 2,500. However, in odd numbered years there could be fewer candidates. The amount of campaign funds spent by these candidates is unknown since these candidates do not currently file with the Registry of Election Finance. It is also unknown how many of these candidates would qualify and seek financial assistance from the Fund. Several additional staff positions would be required to process and document and monitor the distribution of the funds.

- An increase in local government appropriations of \$15,000,000 to the Tennessee Fair Chance Fund, of which \$2,000,000 would be for local elections in Davidson County and \$13,000,000 would be for local elections in any other county that opted into the Fund. Monies in the Fund would be used to assist local certified candidates fund their election campaigns. The cost of the bill would depend upon the funding formula used to determine the amount of funds a candidate would receive.
- An increase in state expenditures of approximately \$400,000 recurring and \$100,000 one-time would be required for additional staff and operating costs to the Registry of Election Finance to handle the local public campaign financing.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director